

# Switching made easy

*Planning to switch your regular payments from an old account to a new one? Here's a step-by-step guide.*

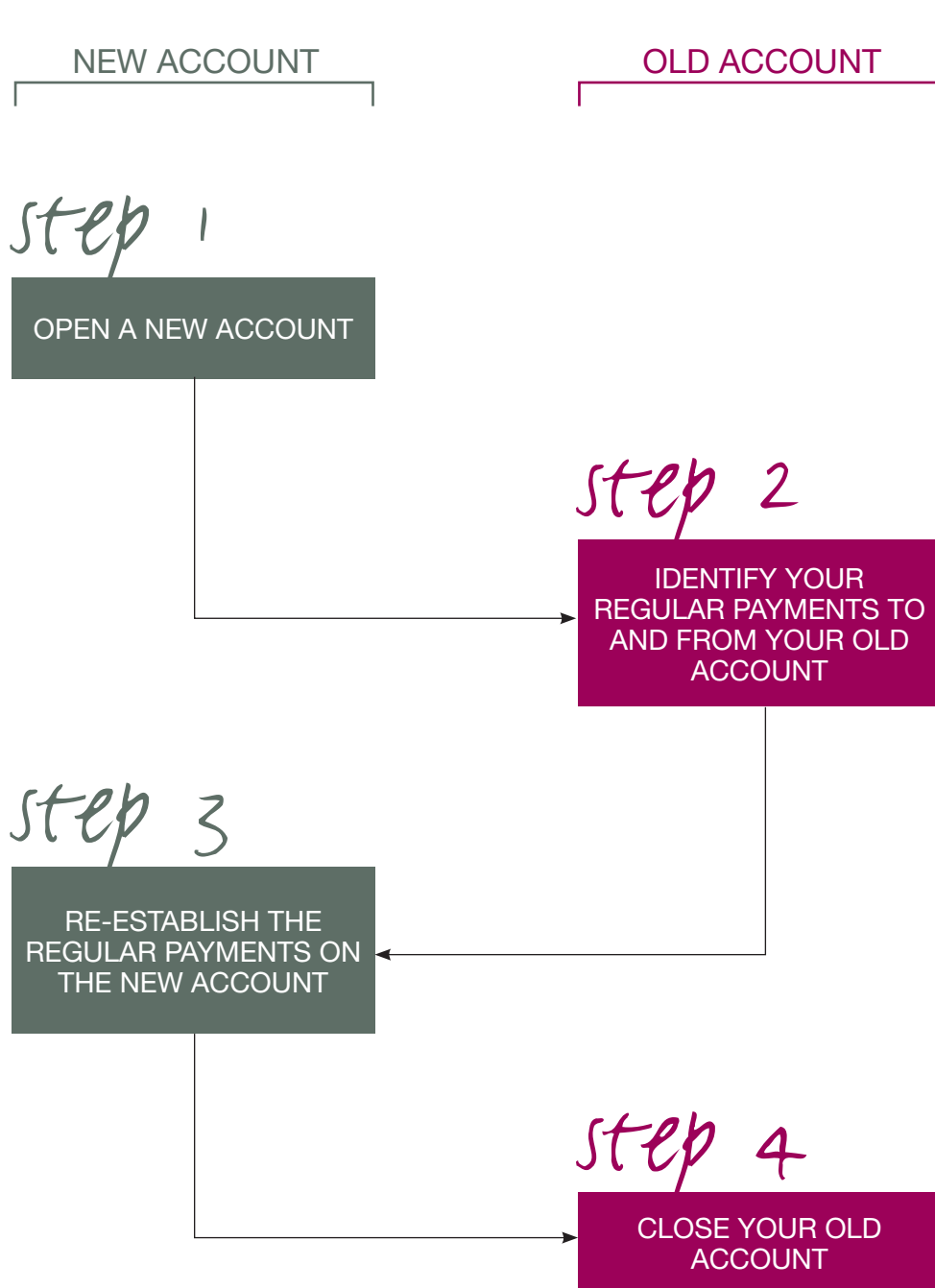
- 2 Introduction
- 3 How to switch – the four steps
- 4 **Doing it yourself** ←
- 5 Sample change advice letters
- 7 Tips for a smooth change-over
- 8 Sample list of regular payments

# Introduction

## **These guidelines:**

- Provide you with the steps to switch your regular payments to your new account at another bank, credit union or building society.
- Outline the four easy steps you should take to set up the new payment arrangements.
- Provide tips for a smooth change-over.
- Have some easy to use forms to send to the organisations that make payments to – or withdraw money from – your account.

# How to switch – the four steps



# Doing it yourself

## If you want to make the switch yourself, follow these steps:

1 Open an account with the new financial institution

2 Identify your regular payments to and from the old account

This requires a bit of planning. Review your bank statements to identify all regular payments to and from your old account (the 'credits' and 'debits') or ask your old financial institution to issue you with a list of regular payments. Regular debits to your account could be phone bills and gym membership. Regular credits that you receive could be your salary and share dividends.

Payment cycles range from weekly and monthly to quarterly and yearly, so you need to look back at least 13 months.

There are four kinds of regular payments to be identified:

1. Regular debits and credits as mentioned above;
2. Periodical payments are standing instructions given to your financial institution like "on a monthly basis, debit my account and pay my rent.";
3. Recurring payments are made by your providers or merchants where you have supplied your Visa Debit or MasterCard Debit card number; and
4. 'Pay anyone' are payments you make using your financial institution's internet banking service like every month pay my child's pocket money. Before you close your old account you should access your internet banking account with the old financial institution to print out your 'pay anyone' list.

3 Re-establish your payments on the new account

Now you're ready to contact each organisation that makes regular credits and debits to your account and ask them to change your account details in their records. Either contact the organisation by phone, mail or internet and follow their instructions; or

Complete and post a 'change advice' letter to each organisation. Samples are shown in this pack on pages 5 and 6. The change advice letters are available on APCA's website<sup>1</sup> and can be completed online.

For other payments:

If you make periodical payments, ask your new financial institution to set them up on the new account.

If you have recurring payments, advise your provider or merchant of your new debit card number.

If you use internet banking to make payments yourself, set up your 'pay anyone' details on the new account.

And of course don't forget to tell your employer your new account details to ensure your salary gets paid into it.

4 Close your old account

Once you're sure all your regular direct debits and credits have been successfully re-established on your new account, you can close the old account.

1. [www.apca.com.au](http://www.apca.com.au)

# change advice letter – for debits

[insert your name]  
[insert your address]  
[.....]

[insert debiting organisation name & department]  
[insert debiting organisation address]  
[ ]

[insert current date here]

Dear Sir/Madam,

**Change of direct debit information for [insert your name and customer reference/policy number]**

I/We have changed the financial institution account from which my/our direct debits are deducted. With immediate effect, please amend your records to make sure all future payments are deducted from my/our new account.

**My/Our current account details**

Financial institution: [insert current financial institution name]  
Account name: [insert account name]  
BSB: XXX-XXX  
Account number: XXXXXXXXX

**My/Our new account details**

Financial institution: [insert new financial institution name]  
Account name: [insert account name]  
BSB: XXX-XXX  
Account number: XXXXXXXXX

I/We confirm that I/we am/are authorised to operate the account represented by the BSB and Account number shown immediately above (My/Our new account details).

If you have any questions, please contact me on [insert phone number].

Thank you for your assistance

Yours sincerely

.....  
[insert your name]

# Change advice letter – for credits

[insert your name]  
[insert your address]  
[.....]

[insert crediting organisation name & department]  
[insert crediting organisation address]  
[ ]

[insert current date here]

Dear Sir/Madam,

**Change of direct credit information for [insert your name and customer reference/policy number]**

I/We have changed the financial institution account into which my direct credits are paid to. With immediate effect, please amend your records to make sure all future payments are credited to my/our new account.

**My/Our current account details**

Financial institution: [insert current financial institution name]  
Account name: [insert account name]  
BSB: XXX-XXX  
Account number: XXXXXXXXX

**My/Our new account details**

Financial institution: [insert new financial institution name]  
Account name: [insert account name]  
BSB: XXX-XXX  
Account number: XXXXXXXXX

I/We confirm that I/we am/are authorised to operate the account represented by the BSB and Account number shown immediately above (My/Our new account details).

If you have any questions, please contact me on [insert phone number].

Thank you for your assistance

Yours sincerely

.....  
[insert your name]

# Tips for a smooth change-over

## Once the organisations have been advised of your change in account details, you should:

- Make sure you have enough money in your old account to cover current payments until all regular payments have been re-established on your new account.
- Look at your new account when you expect the next regular debit or credit to appear and contact the organisation if the payment does not appear on your new account or continues to appear on your old account.
- Close your account with the old financial institution as soon as your regular payments appear on your new account.

Financial institutions have no control over when the organisations that make credits and debits to your account will update their records.

Following these tips should ensure you are not charged additional fees such as dishonour fees or account overdrawn fees.

Remember the organisations that make credits and debits to your account will contact you for new instructions if these regular payments fail.

# sample list of regular payments

## Here's an example of a typical 'list of regular direct debits and credits' (regular payments) your old financial institution will give you when you ask for it.

The old financial institution will also provide details of your periodical payments, if you have any, but they may be provided on a separate list.

[Full name of customer        ]  
[Address of the customer        ]

BSB No:        XXX-XXX  
Account No:    XXXXXXXXX

Direct Debit and Direct Credit Arrangements for the past 13 months as at dd/mm/yyyy Page: zz9

Date Ddmmyy	DE User ID XXXXXX	Name of User XXXXXXXXXX(20)XXXXXXXX	Name of Remitter XXXXX(16)XXXXXXXX	Lodgement Reference XXXXX(18)XXXXXXXXXX	Amount zzzzz9.99
<b>DEBITS</b>					
120508	001244	xyz city council	xyz city council	0045235620201234	120.80
201107	051679	Telco Prepaid Plus	Telco Prepaid	04137778881107	100.00
140208	051679	Telco Prepaid Plus	Telco Prepaid	04137778880208	150.00
140807	051679	Telco Prepaid Plus	Telco Prepaid	04137778880807	100.00
<b>CREDITS</b>					
250508	017766	ABC Ltd	ABC payroll	005690	156.76
250508	005566	Telco Ltd	Telco dividend	56789045	256.76
*** END OF LIST ***					

Your direct debit arrangements are listed here.

Each row listed may represent a Direct Debit arrangement with a debiting organisation. Look for a change in columns "Name of User" or "Name of Remitter" to indicate a different debiting organisation. The "Name of User" and "Name of Remitter" will identify the debiting organisation to contact. The column "Lodgement reference" is your customer identifier (e.g your city council reference id). The column "Date" shows the last date the direct debit was made for this arrangement, expressed as ddmmyy.

Multiple rows with the same "Name of User" and "Name of Remitter" but a different Lodgement Reference and Date may be single debit arrangement where a different lodgement reference is used for each debit transaction.

Your Direct Credit arrangements are listed below. Identify your Direct Credit organisations by following the same guidelines provided for your Direct Debit arrangements above.